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November 1, 2002

**Written Ex-Parte**

October 30, 2002

Ms. Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
The Portals, 445 12<sup>th</sup> Street, SW  
Room TW-A325  
Washington, DC 20554

Re: CC Docket No. 01-338

Dear Ms. Dortch:

On October 4, 2002, representatives from BellSouth met with Commission staff to discuss the need for UNE switching relief. See Section 1.1206 Letter signed by W.W. (Whit) Jordan, Vice President, Federal Regulatory, BellSouth, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 01-338 (Oct. 7, 2002; K. B. Levitz letterhead). During BellSouth's presentation, Commission Staff asked BellSouth a number of questions concerning BellSouth's ability to handle bulk UNE-P to UNE-L conversions; whether Self Effectuating Enforcement Mechanism ("SEEMs") penalties applied to project-managed hot cuts; and current charges for hot cuts. This follow-up written *ex parte* is intended to provide additional clarification on these points.

1. BellSouth's Ability to Process Bulk Conversions

During our discussion, Commission staff noted that at least one competitive local exchange carrier ("CLEC") had suggested that BellSouth could only handle one single UNE-P to UNE-L conversion per Local Service Request ("LSR"). As we advised, this is simply untrue. BellSouth has mechanized processes in place that allow us to easily handle multiple lines for a given account on one LSR, and is improving this process. BellSouth's new bulk migration process is being designed to provide a CLEC with the capability to submit up to 99 end user accounts per LSR, with each account containing a maximum of 25 lines. End user accounts with more than 25 lines will continue to be submitted on a single LSR under the new process.

As we discussed, BellSouth is able to handle a significant number of conversions from UNE-P to UNE-L. BellSouth, together with a CLEC, co-developed a mechanized process for bulk migration of UNE-P arrangements to stand-alone loops. BellSouth's work-force modeling and forecasting skills are sufficient to meet any increased demand that may arise; BellSouth has

undertaken skill matching efforts to identify individuals within other work groups in the company who may be moved, if needed, to handle any unanticipated large bulk conversion requests. In addition, BellSouth continues to look at electronic processes with third party vendors and to assess their efficiency, reliability and cost in relation to BellSouth's existing conversion processes.

In response to apparent concern over transitions and conversions, BellSouth recommended that the Commission consider establishing a transition plan for implementing UNE switching relief that would make both incumbent local exchange carriers ("ILECs") and CLECs responsible for implementing timely and precise conversions. For instance, a CLEC would be responsible for indicating which UNE-P lines it intends to convert to UNE-L by a date certain. The ILEC would be responsible for completing the conversions of the specified lines by the specified date. In the event that the ILEC was unable to complete the conversions by the specified date (with any delay in conversion unattributable to the requesting CLEC), the requesting CLECs would continue to pay UNE-P rates for any unconverted "late" circuits until the conversions actually take place. BellSouth's existing systems and processes, as well as its willingness to abide by such a transition plan for implementing switching relief, should assure the Commission that any migration off of switching UNEs could be managed reasonably.

## 2. The Applicability of SEEMs Penalties to Hot Cuts

All performance measures and their associated SEEMs penalties apply to project managed hot cuts (which are also referred to as "Project Managed Orders" or "PMOs") except for four (4) ordering measures and one (1) provisioning measure. Those exceptions are discussed in BellSouth's Service Quality Measurements ("SQM") plan documentation and are listed below:

### *Ordering:*

- Percent Rejected Service Requests
- Reject Interval
- Firm Order Confirmation (FOC) Timeliness
- FOC and Reject Response Completeness

### *Provisioning:*

The only Provisioning measure which excludes PMOs is Order Completion Interval ("OCI"). PMOs are given an "L" appointment code (since there is no standard interval for them) that excludes them from the measure. All four hot cut specific measures include PMOs.

*Maintenance and Repair:*

No Maintenance and Repair measures exclude PMOs.

In BellSouth's experience CLECs generally prefer project managed hot cuts in order to assure an even higher level of coordination and cutover efficiency compared to those hot cuts that are not project managed. BellSouth's performance measurements for non-project managed hot cuts demonstrate excellent hot cut performance both in timeliness (on-time cutovers and cutovers completed within acceptable intervals) and quality (customer trouble reports within seven (7) days of the cutover). Thus, the Commission can be assured that BellSouth's hot cut performance for project managed conversions is likewise excellent. Because dozens of measures apply to project managed cutovers, there is ample opportunity for regulators to monitor BellSouth's performance regarding project managed hot cuts.

3. Current Charges for Hot Cuts

The FCC advised BellSouth that several CLECs have complained of average ILEC loop hot cut rates ranging from \$175 to over \$200 dollars. BellSouth estimates that a CLEC's weighted average hot cut cost per loop in BellSouth's region to be approximately \$43. This is an average of nonrecurring rates in each of BellSouth's nine states that apply to CLEC hot cut orders for SL1 loops, weighted by state-specific UNE-P demand using the latest available figures. It assumes (conservatively) three loops per LSR, and that the order is completed within standard implementation intervals. To the extent carriers request additional time-specific targets within existing intervals, BellSouth estimates that the regional CLEC cost average would increase by about \$9 per loop. In any event, the CLEC averages quoted to the Commission exceed BellSouth's weighted POTS averages by a magnitude of 300%-400%.

If you have any questions, please do not hesitate to contact me.

Sincerely,



W.W. (Whit) Jordan

cc: Craig Coster  
Claudia Pabo  
Jeremy Miller  
Ian Dillner  
Ben Childers  
Aaron Goldberger  
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